

RECORDATION NO. 23619-B FILED

ALVORD AND ALVORD  
ATTORNEYS AT LAW  
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WASHINGTON, D.C.  
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AUG 17 '01 : 1:22 PM

SURFACE TRANSPORTATION BOARD

ELIAS C. ALVORD (1942)  
ELLSWORTH C. ALVORD (1964)

OF COUNSEL  
URBAN A. LESTER

August 17, 2001

Mr. Vernon A. Williams  
Secretary  
Surface Transportation Board  
Washington, D.C. 20423

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are three (3) copies of a Memorandum of (Collateral) Assignment of Lease and Rents, dated August 14, 2001, a secondary document as defined in the Board's Rules for the Recordation of Documents.

The enclosed document relates to the Security Agreement and Lease being filed with the Board under Recordation Number \_\_\_\_\_.

The names and addresses of the parties to the enclosed document are:

Assignee: Deutsche Financial Services Corporation  
1181 C Lake Cook Road  
Deerfield, Illinois 60015

Assignor: Midwest Railcar Corporation  
9876 213<sup>th</sup> Avenue, N.W.  
Elk River, Minnesota 55330

A description of the railroad equipment covered by the enclosed document is:

21 railcars bearing AGR reporting marks and road numbers attached hereto

Mr. Vernon Williams  
August 17, 2001  
Page Two

A short summary of the document to appear in the index is:

Memorandum of (Collateral) Assignment of Lease and Rents

Also enclosed is a check in the amount of \$28.00 payable to the order of the Surface Transportation Board covering the required recordation fee.

Kindly return stamped copies of the enclosed document to the undersigned.

Very truly yours,

A handwritten signature in black ink, appearing to read 'Alvord', with a stylized flourish at the end.

Robert W. Alvord

RWA/anm  
Enclosures

**EXHIBIT A****DESCRIPTION OF CARS**

Cubic Capacity:	6000 - 6444
Car Builder:	Gunderson / Thrall
AAR Car Code:	E500
Gross Weight:	263,000
Lightweight:	67,000
Load Limit:	196,000

<b><u>New No:</u></b>	<b><u>Old No.</u></b>	<b><u>Blt. Date:</u></b>	<b><u>Cu. Cap:</u></b>
AGR 119712	NP 119712	03/67	6007
AGR 119756	NP 119756	03/67	6007
AGR 119781	NP 119781	03/67	6007
AGR 119956	NP 119956	04/67	6007
AGR 119841	NP 119841	04/67	6007
AGR 119890	NP 119890	04/67	6007
AGR 174206	GN 174206	06/68	6444
AGR 174267	GN 174267	07/68	6444
AGR 174255	GN 174255	06/68	6444
AGR 174288	GN 174288	07/68	6444
AGR 174200	GN 174200	06/68	6444
AGR 586202	BN 586202	04/67	6007
AGR 586155	BN 586155	04/67	6007
AGR 586254	BN 586254	04/67	6007
AGR 586026	BN 586026	03/67	6007
AGR 585575	BN 585575	07/68	6444
AGR 585568	BN 585568	07/68	6444
AGR 585556	BN 585556	06/68	6444
AGR 119806	NP 119806	04/67	6007
AGR 119823	NP 119823	04/67	6007
AGR 119961	NP 119961	05/67	6007

MEMORANDUM OF (COLLATERAL) ASSIGNMENT  
OF LEASES AND RENTS  
BETWEEN

DEUTSCHE FINANCIAL SERVICES CORPORATION  
("SECURED PARTY")

AND

MIDWEST RAILCAR CORPORATION  
("BORROWER")

August 14, 2001

RECORDATION NO. 23619-B FILED

AUG 17 '01 : 1:22 PM

SURFACE TRANSPORTATION BOARD

This Memorandum of Assignment of Lease and Rents is hereby entered into as of this 14 day of August, 2001 by and between Deutsche Financial Services Corporation, a Nevada Corporation ("Lender"), and Midwest Railcar Corporation, an Illinois corporation ("Borrower").

WITNESSETH:

The Borrower hereby sells, assigns, transfers and sets over unto Deutsche Financial Services Corporation all of the Borrower's right, title and interest in and to the lease of up to twenty-one (21) 6000-6444 cubic foot, 100-ton Gunderson / Thrall gondola railcars as evidenced by that certain Lease Agreement dated as June 25, 2001, by and between Borrower as lessor and Alabama & Gulf Coast Railway L.L.C. as lessee, and all schedules, exhibits and attachments thereto (together, the "Lease") and all rents and other sums due thereunder, and all proceeds therefrom with respect to those certain railcars identified on the attached Schedule "A" hereto (the "Railcars"), and all rents, renewal rents, proceeds of settlement for the Railcars which are lost, destroyed or damaged beyond repair and all other sums due and to become due under and pursuant to or by reason of the Lease, as well as any and all subleases of the Railcars.

This Assignment is given and intended as continuing collateral for the payment of the indebtedness of the Borrower to the Lender as described in the Loan and Security Agreement of even date herewith (the "Agreement"), as well as the indebtedness described in that Loan and Security Agreement by and between Borrower and Lender dated February 28, 2001, as amended (the "February, 2001 Loan Agreement"), respectively, including but not limited to the promissory note executed under the Agreement and any future promissory notes made in connection with the Agreement (collectively, the "Promissory Note(s)"), and the promissory notes executed under the February, 2001 Loan Agreement (the "February Promissory Notes"), including any and all interest thereon and expenses therefor and any and all extensions and/or renewals of the referenced indebtedness, and no renewal of, or extension of time of payment of the referenced indebtedness or any part thereof, and no agreement not to sue or release or discharge of any persons liable therefor or thereon, or release or exchange of other collateral or any act or thing whatsoever shall diminish, discharge, impair or affect this Assignment or the security afforded hereby. Notwithstanding the foregoing, however, and notwithstanding that the February Promissory Notes may not then be paid in full, but only as long as the February Promissory Notes are not then in default, upon payment in full by the Assignor to the Lender of the Promissory Note(s), this Assignment shall be discharged and of no further effect, and Lender shall have no remaining rights thereunder.

Capitalized terms not defined herein shall have the meanings ascribed to them in the Agreement.

This Memorandum of Assignment of Lease and Rents may be executed in any number of counterparts, each executed counterpart constituting an original but together only one Memorandum of Assignment of Lease and Rents.

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be signed and sealed by there respective corporate officers as of the date and year first above written.

DEUTSCHE FINANCIAL SERVICES CORPORATION  
as Lender

By: \_\_\_\_\_



Name: Patrick J. Mazzanti

Title: Assistant Vice President

MIDWEST RAILCAR CORPORATION  
as Borrower

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

This Memorandum of Assignment of Lease and Rents may be executed in any number of counterparts, each executed counterpart constituting an original but together only one Memorandum of Assignment of Lease and Rents.

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be signed and sealed by there respective corporate officers as of the date and year first above written.

DEUTSCHE FINANCIAL SERVICES CORPORATION  
as Lender

By: \_\_\_\_\_

Name: Patrick J. Mazzanti

Title: Assistant Vice President

MIDWEST RAILCAR CORPORATION  
as Borrower

By: \_\_\_\_\_

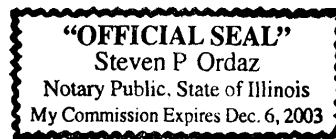
Name: Richard M. Murphy

Title: President & CEO

STATE OF ILLINOIS )  
 ) ss.  
COUNTY OF COOK )

On this 15th day of August, 2001, before me personally appeared PATRICK J. MAZZANTI, to me personally known, who being by me duly sworn, says that he is the AVP of DEUTSCHE FINANCIAL SERVICES CORPORATION, that the foregoing instrument was signed on behalf of said national banking association, and he acknowledged that the execution of the said instrument was his free act and deed.

NOTARY PUBLIC: Steven P. Ordaz



My commission expires: 12/6/03

STATE OF \_\_\_\_\_ )  
 ) ss.  
COUNTY OF \_\_\_\_\_ )

On this \_\_\_\_\_ day of August, 2001, before me personally appeared \_\_\_\_\_, to me personally known, who being by me duly sworn, says that he is the \_\_\_\_\_ of Midwest Railcar Corporation, that the foregoing instrument was signed on behalf of said limited liability company, and he acknowledged that the execution of the said instrument was his free act and deed.

NOTARY PUBLIC: \_\_\_\_\_

My commission expires: \_\_\_\_\_



STATE OF \_\_\_\_\_ )  
 ) ss.  
COUNTY OF \_\_\_\_\_ )

On this \_\_\_\_ day of August, 2001, before me personally appeared \_\_\_\_\_, to me personally known, who being by me duly sworn, says that he is the \_\_\_\_\_ of DEUTSCHE FINANCIAL SERVICES CORPORATION, that the foregoing instrument was signed on behalf of said national banking association, and he acknowledged that the execution of the said instrument was his free act and deed.

NOTARY PUBLIC: \_\_\_\_\_

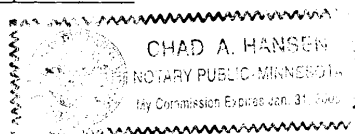
My commission expires: \_\_\_\_\_

STATE OF Minnesota )  
 ) ss.  
COUNTY OF Sherburne )

On this 15<sup>th</sup> day of August, 2001, before me personally appeared Richard M. Murphy, to me personally known, who being by me duly sworn, says that he is the President of Midwest Railcar Corporation, that the foregoing instrument was signed on behalf of said limited liability company, and he acknowledged that the execution of the said instrument was his free act and deed.

NOTARY PUBLIC: Chad A. Hansen

My commission expires: 1/31/05



SCHEDULE "A"  
To Memorandum of Assignment of Lease and Rents  
SCHEDULE OF RAILCARS  
One Page  
Twenty-One (21) Units

REGARDING LEASE DATED JUNE 25, 2001  
BY AND BETWEEN MIDWEST RAILCAR CORPORATION  
AND  
ALABAMA & GULF COAST RAILWAY L.L.C.

DESCRIPTION OF CARS

<b>Cubic Capacity:</b>	<b>6000-6444</b>
<b>Car Builder:</b>	<b>Gunderson / Thrall</b>
<b>AAR Code:</b>	<b>E500</b>
<b>Gross Weight:</b>	<b>263,000</b>
<b>Lightweight:</b>	<b>67,000</b>
<b>Load Limit:</b>	<b>196,000</b>

	NEW CAR NUMBER	ORIGINAL CAR NUMBER	ORIGINAL BUILT DATE	Cu. Cap.
1	AGR 119712	NP 119712	03/67	6007
2	AGR 119756	NP 119756	03/67	6007
3	AGR 119781	NP 119781	03/67	6007
4	AGR 119956	NP 119956	04/67	6007
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7	AGR 174206	GN 174206	06/68	6444
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9	AGR 174255	GN 174255	06/68	6444
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